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ABSTRACT

This instructor guide for a unit on business opportunities in the PACE (Program for Acquiring Competence in Entrepreneurship) curriculum includes the full text of the student module and lesson plans, instructional suggestions, and other teacher resources. The competencies that are incorporated into this module are at Level 1 of learning--understanding the creation and operation of a business. Included in the instructor's guide are the following: unit objectives, guidelines for using PACE, lists of teaching suggestions for each unit objective/subobjective, model assessment responses, and overview of the three levels of the PACE program. The following materials are contained in the student guide: activities to be completed in preparation for the unit, unit objectives, student reading materials, individual and group learning activities, case study, discussion questions, assessment questions, and references. Among the topics discussed in the unit are the following: factors to consider when starting a business, effects of shifts in U.S. population on small business development, changes in international and community markets, effects of technology on careers, creativity, business ideas from career training, and ways of creating new business ideas. (MN)

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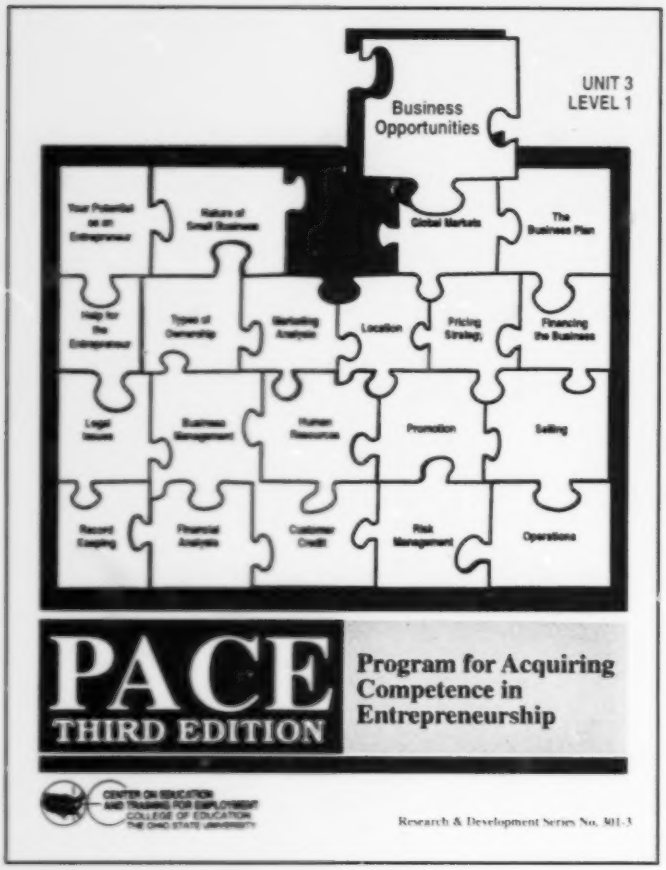


# INSTRUCTOR GUIDE

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## Unit 3

# Business Opportunities

## Level 1

### Objectives:

- Describe the factors that should be considered when starting a business.
- Identify the trends and changes occurring in the business environment.
- Discuss new technological changes that are occurring in potential career areas.
- Define the process of creativity.
- Complete a list of small business ideas related to a career area.
- Create a new business idea.

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### HOW TO USE PACE

- Use the objectives as a pretest. If a student is able to meet the objectives, ask him or her to read and respond to the assessment questions in the back of the module.
- Duplicate the glossary from the *Resource Guide* to use as a handout.
- Use the teaching outlin s provided in the *Instructor Guide* for assistance in focusing your teaching delivery. The left side of each outline page lists objectives with the corresponding headings (margin questions) from the unit. Space is provided for you to add your own suggestions. Try to increase student involvement in as many ways as possible to foster an interactive learning process.
- When your students are ready to do the *Activities*, assist them in selecting those that you feel would be the most beneficial to their growth in entrepreneurship.
- Assess your students on the unit content when they indicate they are ready. You may choose written or verbal assessments according to the situation. Model responses are provided for each module of each unit. While these are suggested responses, others may be equally valid.

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| Objectives | Teaching Suggestions |
|---|---|
| 1. LIST THE FACTORS THAT SHOULD BE CONSIDERED WHEN STARTING A BUSINESS | |
| What are some of the factors that should be considered when starting a business? | Invite a new business owner in your area to speak to the class. Before their presentation, give them a specific list of questions you wish them to answer. Be sure to include the important factors that are in this section.<br><br>Tell the students that you have a friend who is considering starting a health-care newsletter business. Ask them what your friend needs to know before starting her business. Write their responses on the board, and then categorize according to the headings in this section. You may need to add headings. |
| 2. IDENTIFY THE TRENDS AND CHANGES OCCURRING IN THE BUSINESS ENVIRONMENT | |
| What are some of the shifts in the US population? | Ask your students when their parents/grandparents were born. Those who were born between 1945 and 1954 are baby boomers. Their children are part of the baby boomlet. Ask the students why the baby boomers are so important. Discuss typical lifestyle changes for baby boomers. |
| How have international markets changed? | Ask students what they have seen or heard related to changes in international markets. Discuss potential business opportunities which have developed because of these changes. |
| What are the market shifts in your community? | Ask students what changes have occurred in your community which might affect business opportunities. List them on the board and discuss their impact. |
| 3. DISCUSS NEW TECHNOLOGICAL CHANGES THAT ARE OCCURRING IN POTENTIAL CAREER AREAS | |
| How does technology change careers? | Refer back to your friend who wants to start a health-care newsletter. Ask the class how technology affects his/her business. |

| Objectives | Teaching Suggestions |
|---|---|
| 4. DEFINE THE PROCESS OF CREATIVITY | |
| What is creativity? | List a number of inventions and ask whether they required synthetic or creative imagination. For example, you might ask about light bulbs, telephones, personal computers, and water beds. |
| | Ask your students when they are most apt to come up with creative ideas. Usually, it will be during a relaxation period. |
| 5. COMPLETE A LIST OF SMALL BUSINESS IDEAS RELATED TO A CAREER AREA | |
| What business ideas might come from career training? | Divide the class into small groups and ask each group to select one career area to study. This career area should not already be discussed in the text. Ask each small group to generate as many business opportunities as possible in the career area they have chosen. Reconvene the class and discuss the lists of business opportunities. |
| 6. CREATE A NEW BUSINESS IDEA | |
| How can you create a new business idea? | Draw the attention of the students to a new business in your town. Ask them to identify the ideal characteristics of the entrepreneur. Then ask them to identify the factors in your market which make it likely that this business will be successful/ unsuccessful. |

## MODEL ASSESSMENT RESPONSES

1. The following factors should be considered when starting a business: (1) your interests and abilities, market demand, time commitment, financial commitment, staffing, equipment and location.

2. Some of the most significant changes in the U.S. population in the last two decades include: (1) aging of the baby boomers who are now 40 to 50 years old, (2) the baby boomlet, (3) increase in dual career families, (4) increased awareness of the environment, and (5) the changing racial balance.

3. The increased importance of the personal computer has changed the secretarial role, accounting and record-keeping practices, and inventory control. In addition, the Xerox™ machine has made rapid reproduction possible. The fax machine has sped up the transfer of documents. The telephone answering machine and cellular phone have made verbal communication in, and out of the office more convenient.

4. For example, in the food service area there are many opportunities including operating a restaurant, catering, street vending, baking, and lunch delivery.

5. The three steps to creating a new business are (1) identify the entrepreneurs interests and abilities, (2) understand market demand, (3) evaluate and refine the new business idea.


**PACE**
**THIRD EDITION**

**Program for Acquiring Competence in Entrepreneurship**

Incorporates the needed competencies for creating and operating a small business at three levels of learning, with experiences and outcomes becoming progressively more advanced.

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For information on PACE or to order, contact the Publications Department the
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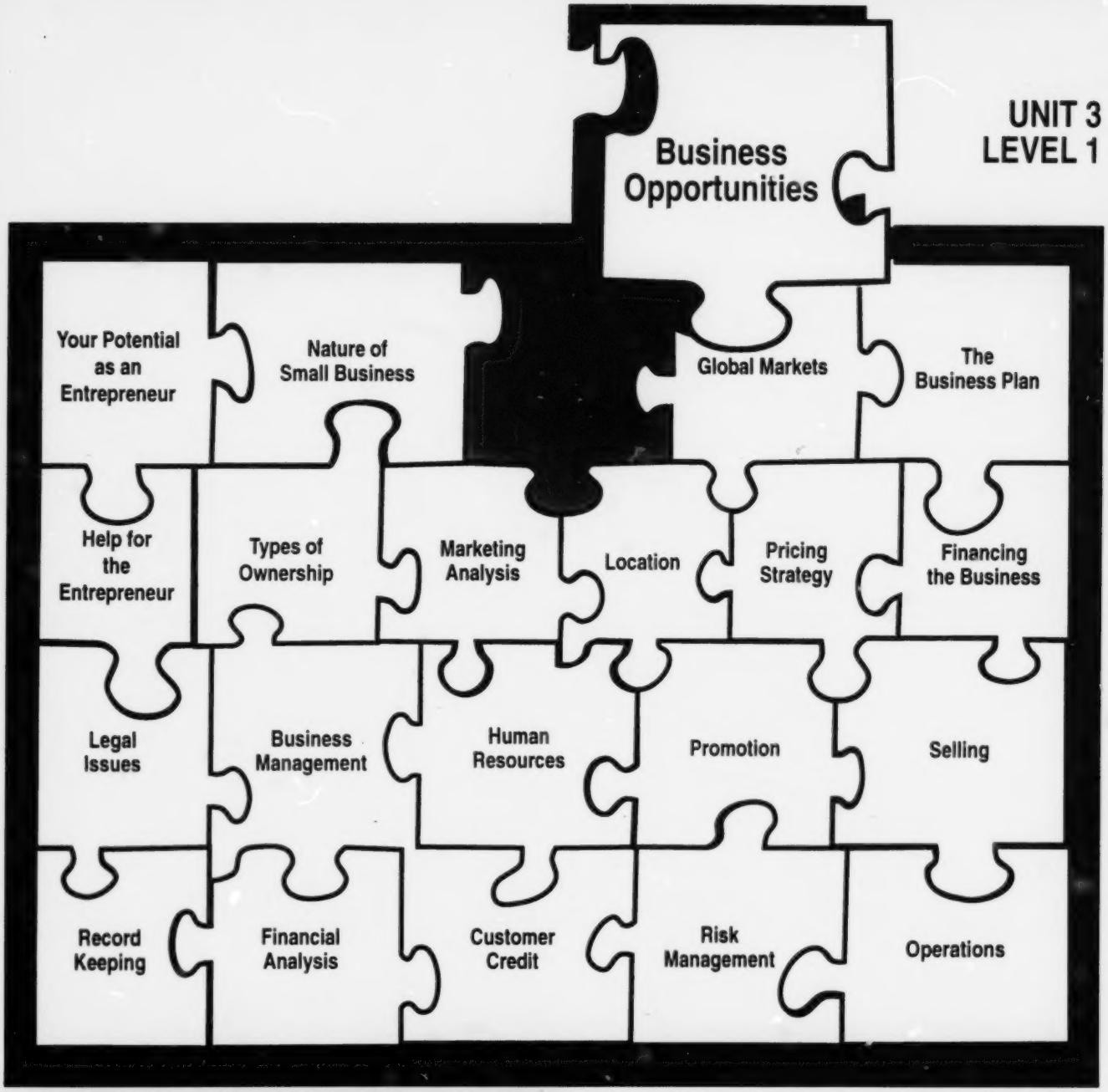
UNIT 3
LEVEL 1




# PACE
## THIRD EDITION

## Program for Acquiring Competence in Entrepreneurship

CENTER ON EDUCATION AND TRAINING FOR EMPLOYMENT
COLLEGE OF EDUCATION
THE OHIO STATE UNIVERSITY



Research & Development Series No. 301-3

# BUSINESS OPPORTUNITIES

## BEFORE YOU BEGIN . . .

1. Consult the *Resource Guide* for instructions if this is your first PACE unit.

2. Read What are the Objectives for this Unit on the following page. If you think you can meet these objectives now, consult your instructor.

3. Look for these business terms as you read this unit. If you need help with the meanings, ask your instructor for a copy of the PACE Glossary contained in the *Resource Guide*.

   Creativity
   Creative imagination
   MUPPIES
   Synthetic imagination
   YUPPIES



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# BUSINESS OPPORTUNITIES

## WHAT ARE THE OBJECTIVES OF THIS UNIT?

Upon completion of this unit you will be able to—

- describe the factors that should be considered when starting a business,
- identify the trends and changes occurring in the business environment,
- discuss new technological changes that are occurring in potential career areas,
- define the process of creativity,
- complete a list of small business ideas related to a career area, and
- create a new business idea.

## WHAT THE UNIT IS ABOUT?

Have you ever thought about starting a business? What decisions do you need to make? How does technology and the current business environment affect a new business? How would you go about creatively generating a list of potential business opportunities? In this unit, these questions will be answered.

## WHAT FACTORS SHOULD BE CONSIDERED WHEN STARTING A BUSINESS?

Prior to starting a business, there are many questions you must answer. Your answers to these questions will determine the nature of the business itself. Here are a few of the most important aspects of owning and operating a business that you must consider.

**Your interests and abilities**—To be successful, you must know who you are and what you can do. Imagine what would

happen if someone who hated manual labor tried to start a construction business. They would be doomed to failure. In order to excel, an entrepreneur must honestly identify his or her own skills and interests, and then find a business in which his or her expertise can be utilized.

Following are a number of points to consider before starting a business:

**Market demand**. Rapidly growing businesses are usually in fields or markets that are expanding. So, what do the consumers want? Computers? CDs? Cellular Phones? We will discuss the market in greater detail in the next section.

**Time commitment**. Starting a new business can place tremendous demands on your time. The new entrepreneur often works day and night to get the business off the ground. In order to reduce expenses, many new businesses are short staffed during the start-up phase. Who makes up the hours? The business owner, of course.

On the other hand, the entrepreneur in many successful businesses works part-time. Some entrepreneurs may prefer to work part-time because of family commitments. Others work part-time at their own business, while maintaining their employment elsewhere. By working for another business establishment, they earn sufficient income to pay their current expenses. Once their own business generates enough income to pay their salary, the new business owner may plan to work full-time at his or her own business.

**Financial commitment**. What are you willing to invest in a new business? Almost all new business requires an initial investment for start-up. Even a newsletter requires an initial cash outlay for printing, bulk mail permit, and bulk mail postage. Larger businesses many require an initial cash investment of hundreds of thousands of dollars. Rarely, will the entrepreneur be able to borrow all of the money for initial investment. Outside investors usually expect the entrepreneur to put up some good faith money as an indication of their commitment to the business.

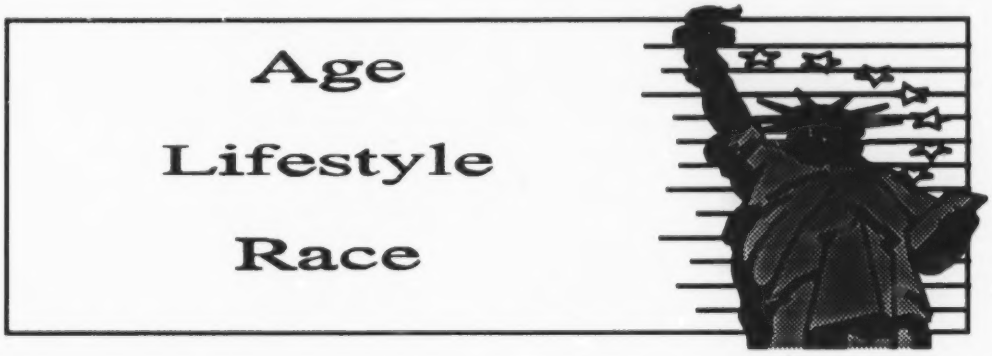
**Staffing**. Do you want a business that you can run all by yourself? Many small business owners start out running the business by themselves. However, if you do not want to ever hire anyone, then the size and type of business you can enter is limited to your own capabilities.

If you do want to hire a staff, then you need to know something about the labor pool. First, are you expecting family members to work with you? Are they interested in your business? Do they have the skills that you will need? Second, what about the outside labor pool? Are there people available who have the skills you need? Can you hire them by the hour? By the project? Only as full salary staff? What are they usually paid?

**Equipment**. Will you need major equipment for your new business? Do you want to buy, rent, or lease the equipment? How much will it cost? Equipment can be a significant expense for a new business. For example, if you want to start a new restaurant, you may have to purchase all new kitchen equipment. Check to see if you can acquire used equipment to reduce this expense.

**Location**. Where do you want to work? Your home? Your car? An office? A store? A manufacturing plant? Outside? Where you want to work indicates what kind of work you can do. For example, if you want to work at home, you may not be able to manufacture because of zoning restrictions. If you want to work outside, you could go into landscaping or construction. However, you probably would not want to become a tax accountant. In many cases, you may need to rent or buy facilities. If so, what is available in your area? What will you have to pay for those facilities?

These are only a few of the most important factors you should consider when looking for a new business idea. Can you think of any others?




## HOW DO SHIFTS IN THE U.S. POPULATION AFFECT SMALL BUSINESS DEVELOPMENT?

Changes in the business environment create opportunities for entrepreneurs. Successful new businesses are usually created to meet a specific need in the society. So, what does society, or the market, need? Let's start by looking at shifts in the general population's age, lifestyle, and racial mix.

**Age**. The baby boomers are aging. In the 80s, the baby boomers created a bulge in the population in the age category of 35 to 44. In the 90s, the baby boomers will be 45 to 54 years old. What impact will this have on the market? Most baby boomers have already purchased the basics for their home. In the 90s, if they buy anything for their home, they are looking for quality. In addition, the aging baby boomers will probably increase the demand for health care service.

The baby boomers produced a baby boomlet. In the 90s, the children of the baby boomers range in age from toddlers to college students. Although these children represent a smaller hump in the population than the baby boomers, many of them have more material possessions than their parents did at the same age. This explains the recent success of specialty children's stores, and refrigerator/microwave combinations for college students.

There are more elderly in the population than ever before. They need products and services that help them to live full lives. It is no wonder that the home health care industry and retirement housing is booming.

**Lifestyle**. The YUPPIES (young urban professionals) of the 1980s have become the MUPPIES (mature urban professionals) of the 1990s. They no longer need to furnish their home, instead they are interested in health and leisure activities. Hence, the rapid growth of the health spa industry and various travel companies.

With the increase in dual career families, time is very important. Dual career families are buying many products and services to help them save time running the household. Fast-food, frozen food, house cleaning services, and lawn care services are all in demand.

North Americans are becoming increasingly aware of the environment. Recycling is the wave of the future. Many products have green labels indicating that they are environmentally friendly.

**Race**. The caucasian population in the United states will only increase by 3 percent between 1990 and 2000. In the same period of time, the African American population will increase by 10 percent, and the Hispanic population will increase by 20 percent. Obviously, there will more cultural diversity in the future. We might expect this to lead to greater demand for ethnic specialties. For example, a African American entrepreneur in Ohio has become very successful selling sweet potato pies to the African American community.

## HOW HAVE INTERNATIONAL MARKETS CHANGED?

International markets have changed dramatically in the 1980s and 1990s. Former Soviet block countries, such as Poland, are setting up market economies. These countries need both technological and educational services to develop their economies. As the market economies are established and barriers to trade are removed, international trade with the Soviet block countries is expected to increase greatly.

With the uniting of many of the European countries under the European Economic Community, trade between member countries is greatly simplified. It is expected that trade between member countries will increase.

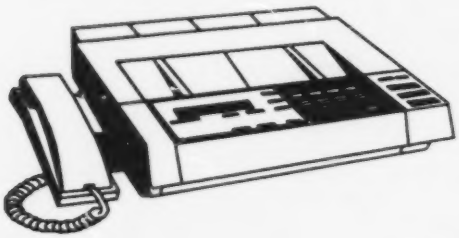
As the U.S. increases pressure to ease trade relationships with China and Japan, we may see these two markets opening their doors to U.S. entrepreneurs. Both markets hold tremendous potential. Japan's population has a high per capita income. China has a very large population. Success in these markets, as with other international markets, will depend on business' sensitivity to consumer needs.

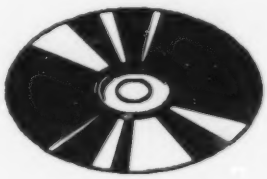
## WHAT ARE THE MARKET SHIFTS IN YOUR COMMUNITY?

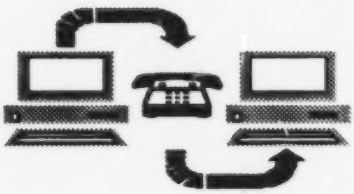
The market in your own community is unique. When developing a new business, it is *most* important to understand the market

in the immediate area. For example, if a large factory in your area has recently closed, then the number of dual career families may have declined. This might mean that the demand for home maintenance services has declined in your area. Or, there may be a high demand for fast-food in your area, but there may also be a glut of fast-food competitors. Carefully review changes in your community to determine what the local market wants and needs.

logical innovation. Historically, we have viewed technological innovation as being the cornerstone of an increasingly higher standard of living. We have learned that without innovation, we face a future of inevitable decline. The former Communist countries learned this lesson when their factories became outdated and could not produce products that could compete in world markets.







## HOW DOES TECHNOLOGY CHANGE CAREERS?

The importance of changing technology can be measured in terms of its impact on both the private and public interest. Perhaps as much as one-third to one-half of all manufacturers' profits are generated by products less than 5 years old. In addition, nearly half of all new jobs created in the last several decades have been the result of techno-

One of the major changes to careers has come about due to the influx of computers into both the home and at work.

- Within the business environment, the secretarial position has been changed to administrative assistance allowing for more creativity and flexibility.

- The travel agency has a totally new concept with which tickets and reservations

can be made due to computers and networking capabilities.

- Accounting and record keeping has been simplified with the computer software available today.

- The drafting and graphics industry has become quite different with the use of computer-aided design.

- Manufacturing has been transformed greatly by robotic equipment, allowing for more precision in manufacturing.

- Inventory control has become easier due to computerized inventory databases.

Four other technological advances have greatly changed the way we do business. The xerox machine has made it possible to easily and rapidly reproduce printed material. Before the xerox machine, offices had to use mimeographs. Compared to xerox copies, mimeographed copies were of low quality. In addition, the number of copies that could be made from one mimeograph was limited. The fax machine has greatly sped up the way we transfer documents from one office to another. In the past, if the documents were mailed, at least 1 work day was lost in the transfer process. Very important documents formerly were hand delivered. Many of these same important documents are now faxed, saving many labor hours. Another important technological innovation is the telephone answering machine. We no longer have to worry about missing important messages at the office when we are out. (Just remember to turn the machine on!) Finally, cellular phones have changed the place many people conduct business. For many sales people their car has become a mobile office.

## WHAT DOES CREATIVITY MEAN TO THE ENTREPRENEUR?

Creativity is the ability to come up with a new idea. Entrepreneurial creativity is the capacity to generate new business ideas. Creative thinkers spend time identifying questions or problems and then searching for answers. They are open to new information, and new methods to solve problems.

Through imagination, men and women have invented, discovered, and harnessed many of nature's forces. There are two forms of imagination. One is known as "synthetic imagination" and the other as "creative imagination." Synthetic imagination allows one to arrange old concepts, ideas or plans into new combinations. Creative imagination allows one to develop entirely new ideas or concepts.

Most people don't use the creative side of their brain very often, and it may become sluggish. Just like a muscle, when it is not used, the creative side of the brain may become weak. To find a creative solution to a problem, try concentrating on the problem as much possible during the day. Then, when you go to sleep, your subconscious will continue to develop your thoughts. The stronger your desire for a solution to the problem, the harder your subconscious will work to find it.

The development of an idea can be divided into three parts: the creation of an idea, the evaluation of the idea, and the commercialization of the idea. After the initial creation of an idea, it must be evaluated to determine feasibility. Research must be conducted to verify that the idea is truly original, and meets a market need. The next step, is actualizing the idea through the production of a quality product and/or service. The business entrepreneur must have means to produce the new product or it will never reach the market. If the new product produced is of poor quality, then it won't sell even if the idea is good.

## WHAT BUSINESS IDEAS MIGHT COME FROM CAREER TRAINING?

Career experience and training often lead to ideas for a new business. Here is a list of a few business opportunities related to specific career areas. Can you think of some more?

### FOOD SERVICE

According to the U.S. Small Business Administration, today one of the highest profit margin businesses is that of foods. Food careers also holds the position for the largest number of business failures. A business in the food industry must be very well versed as to costs, waste, pricing and location in order to be successful. Some food careers include the following:

**Restaurants**. The restaurant area ranges from the very inexpensive, fast-food to the luxurious dress up eating establishment. Much research must be completed before one should decide to pursue this type of venture.

**Catering**. Within the last few years catering for parties, conventions, and even to families at the close of a busy day has grown. There is minimal start-up costs in this type of business. However, it is important to remember the rules that apply. For example, in the state of Ohio one must have a separate kitchen in which food for catering is prepared. The family kitchen can not be used for preparation of food for sale.

However, in Ohio, baking of breads does not carry the same requirement. The rules placed on baking of foods is governed by a

different agency and thus does not carry the same requirements.

**Vending machine routes**. With life in the fast lane, many vending companies are adding items such as fruit, sandwiches, and salads to the existing candy and junk food line.

**Street selling**. Today many small carts with food for sale can be seen in some of the larger cities as well as on college campuses. The reason for the increasing popularity is again due to the rush of today's society.

**Food decorating classes**. Classes that teach one how to make food look inviting are becoming very popular. These can be as short as how to prepare one item and as long as creating a whole menu. As we are told, we eat with our eyes—meaning that we buy or enjoy food if it looks good.

**Baking**. As mentioned earlier, the regulations are not too stringent. Someone who enjoys baking breads or cakes, may find this an opportunity to pursue as a home-based business.

**Food planner for parties**. Today many businesses and organizations look for someone that will plan entire conferences, meetings, and parties. Again there is very little start-up costs involved with this venture.

**Candy making**. Many people like candy and look for new and different types of sweets. Especially at holidays, candy sales are high and one may find candy making and/or teaching of candy making as a profitable business.

**Lunch delivery**. This too is popular because of our busy lifestyles. Many busy workers find themselves eating at the desk with no time to go out to purchase their lunches. The creative foods person will grasp on to the idea of delivering foods from morning donuts to midmorning snacks, noon time lunches and meeting refreshments. This venture could be merely purchasing prepared foods at a deli and delivering to customers.

## ELECTRONICS/COMPUTERS

Another popular industry today is that of electronics and computers. Acquiring knowledge and schooling in this field will allow a person a variety of opportunities. Some of these include the following:

**Computer system building**. With the growing need for specialized computer needs, many businesses will look for a specialist that can help them set up a computer system as well as help with software selection.

**Computer application**. Many companies do not have individuals in the firm that have the expertise to select the software they need. These companies need someone who knows about the different software packages to recommend software packages that would meet their specific needs.

**Computer personal and business services**. Services such as resume service, desktop publishing, accounting and record keeping, inventory and database creation are becoming very lucrative business opportunities. Many people are setting up home-based businesses with a computer system and are offering a variety of services.

**Computer training**. Inhouse (at the business location), at one's home, and school

training of computer usage is a must for today's worker and offers another profitable venture.

**Computer and computer supplies sales.** Many manufacturer representatives work at selling supplies and computer accessories to businesses, schools, and retail establishments.

## HORTICULTURE

The field of horticulture is rapidly gaining new momentum today. The industry is not limited to those who hold a degree or specialized training. Someone who loves plants and knows about them can be successful in this field. A few business opportunities in horticulture include the following:

**Flower shop/Greenhouse.** This offers two levels of opportunities. One is selling to the general public (retail), and the other is selling to the business for resale (wholesale). The entrepreneur grows or purchases plants or flowers, then sells them to wholesalers, retailers, or consumers. He or she may work with cut flowers, silk flowers, and growing plants.

**Plantscaping.** Many professional offices and businesses are incorporating live plants into their office decor. Research tends to show that the use of live, green plants in a business environment reduces stress in the workplace. This is a rather new opportunity that is growing rapidly. It offers much possibility of business growth and success.

**Herbs growing.** Another area that is gaining popularity is that of growing and drying herbs. This too is a business venture that lends itself to a home-based opportunity.

**Landscaping service and planning.** The homeowner's desire to have a unique and different yard and garden has spurred an interest in landscape services. A trained individual with an eye for color, shapes, and sizes as well as knowledge about plants may develop a profitable landscaping business.

**Lawn care and maintenance.** With the busy family, little time is left for the upkeep of lawns and gardens. A very limited amount of equipment is needed to go into a very profitable business. Many high school students have pursued this type of business and some have turned it into a full-time profitable business to continue after school.

## CONSTRUCTION

This field also offers a wide variety of business opportunities. Some of the opportunities include the following:

**General home repair.** Another need caused by the busy lives of people is that of home repair. The single parent home increases the need for minor home repair and maintenance. In one city, a very creative husband and wife team started a business called, Rent-a-Husband. The business aimed its services toward the single head of household, usually a female who had limited home repair skills. The wife made the contacts and sales and the husband would do the repair work.

**Residential and commercial remodeling.** Due to inflation, many people are remodeling existing homes or business locations rather than moving on to more expensive locations. This has greatly enhanced the opportunities for remodeling business ventures.

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### AUTOMOTIVE

The automotive industry also offers many business opportunities. Some might include the following:

**Engine repair and body repair**. There never seems to be enough good service garages that can fix automobiles. With more and more cars on the road, a creative auto mechanic or body repair person can be successful in auto repair.

**Mobile auto service**. Another automotive opportunity is that of taking the repair service to the customer. This type of business is rather new and it is growing in popularity. This is usually accomplished with a fully equipped van or truck that will travel to customer's location to offer service.

**Auto repair instruction**. Because of increased costs many people want to learn how to repair their own automobiles. Many repair shops are now teaching how to do minor repairs. A new, nontraditional area of service is automobile maintenance classes for women.

This type of business may not be extremely profitable, but the public relations it builds is invaluable.

### ARTS AND CRAFTS

There are many crafts that can lead to a profitable business. This industry includes making and selling crafts as well as teaching various craft-making skills. From weaving and needlepoint to quilting and ceramics, craftpersons can have profitable ventures. Leather craft and wood working are very old hobbies that can provide income. Calligraphy, interior design, and stained glass work are other areas that can create income.

### OTHER/MISCELLANEOUS

Free lance writing and drawing has been around for a long time and is becoming a very timely venture. House sitting, plant sitting and pet sitting are three rather new, unique services that people seem to need today. Home services such as painting, screen and storm window replacement and garage and basement cleaning are also popular needs for today's busy family.

## HOW CAN YOU CREATE A NEW BUSINESS IDEA?

The first step to creating a new business idea is to identify the entrepreneur's interests and abilities. If you are interested in developing a business idea for yourself, then you need to identify your own special talents and interests. You may wish to list your abilities and interests on a piece of paper, and then review the list with your family and friends.

The second step is to understand the market in which you wish to work. If you wish to develop a business for your local community, discuss with other residents recent changes in the community. Ask yourself and other residents, what does this community really need?

On the other hand, if you wish to develop a product or service for a market other than your community, gather all the information you can about that market. This market could be another geographic market, or a particular product area, such as educational

software. You may find information about the market in newspapers and periodicals. Try to personally contact potential customers and ask what new products or services they need.

The third step is to evaluate and refine your new product ideas. Eliminate those ideas which are impossible to produce profitably. From the remaining list of ideas, the entrepreneur should select one good idea which utilizes his or her personal abilities and captures his or her interest.

Developing business opportunities can be fun as well as profitable. To be successful, you must know yourself and the market in which you want to work. No businesses are guaranteed to be successful. However, as an entrepreneur you can greatly increase the probability of success with proper planning.

## ACTIVITIES

The following activities are designed to help you apply what you have learned in this unit.

## INDIVIDUAL ACTIVITIES

**A.**

Make a list of all your skills and interests that could be used in a business.

**B.**

List as many small business ideas as possible that are related to a specific career area of interest to you.

**C.**

Contact the owner of a business in your community that has been in operation for 20 years or more. Discuss how consumer demand has changed during the lifetime of the business.

## GROUP ACTIVITIES

**A.**

Form small groups. Each group should generate one new product or service idea that they feel the local community needs. This product or service should be feasible and profitable. Reconvene the class and discuss these business ideas.

**B.**

Ask for a student volunteer to demonstrate the development of a new business idea. Ask the volunteer to share with the class his or her personal list of skills and interests developed under part A of the *Individual Activities*. Then, have the class brainstorm business opportunities that would make use of the student volunteer's skills and abilities.

## CASE STUDY

Bill and Cathy West just moved to town. Bill has a job, but Cathy has not been able to find employment. Bill has had 12 years of experience in construction and Cathy has been a primary teacher for 4 years. The community they live in is mainly residential with limited industry. Most of the residents drive 25 miles to an industry complex.

With one small child, Bill and Cathy have to share the time at home since there is no day care in the neighborhood. Cathy really wants to work, but can't seem to find any work that allows flexibility in hours.

## DISCUSSION QUESTIONS

1. Can you think of businesses that Bill and Cathy might start?
2. What limitations would they find as they start a business?
3. How should they develop their business?

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## ASSESSMENT

Read the following questions to check your knowledge of the topics presented in this unit. When you feel prepared, ask your instructor to assess your competency on them.

1. What factors should be considered when starting a business?
2. How has the U.S. population changed in the last two decades?
3. What are some technological changes that have created business opportunities?
4. Identify some business opportunities that might develop from a specific career experience.
5. What are the three steps to creating a new business idea?

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# PACE


Unit 1. Your Potential as An Entrepreneur
Unit 2. The Nature of the Small Business
⇨ Unit 3. Business Opportunities
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Unit 21. Operations
Resource Guide
Instructor's Guide


Units on the above entrepreneurship topics are available at the following levels:

* Level 1 helps you understand the creation and operation of a business
* Level 2 prepares you to plan for a business in your future
* Level 3 guides you in starting and managing your own business